GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3661
ANSWERED ON:21.12.2015
Higher Education under GATS
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Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) whether the Government has made an offer to open market access to higher education under World Trade Organisation (WTO)/General Agreement on Trade in Services (GATS);
(b) if so, the details thereof;
(c) whether there is a protest/resentment by teachers/professors to withdraw the offer made to WTO/GATS; and
(d) if so, the details thereof and steps taken by the Government to pacify the teaching community in the country?

Answer

MINISTER OF HUMAN RESOURCE DEVELOPMENT
(SMT. SMRITI ZUBIN IRANI)

(a) & (b Department of Commerce has informed that India offered specific commitments in 'Higher Education Services' tabled in the WTO, in 2005 which are still in the 'offer' stage with no legal validity. India's offer for foreign educational institutions to establish commercial presence (mode 3) mentions that − fee to be charged can be fixed by an appropriate authority and that such fee do not lead to charging capitation fee or to profiteering; Foreign investors can start colleges/universities in India only subject to such regulations already in place or to be prescribed by the appropriate regulatory authority. India has also taken carve out for subsidies, which implies, that India can continue to provide subsidies to domestic service suppliers.

(c)& (d) There was a news item quoting the All India Students' Association (AISA) representatives that discontinuation of Non-National Eligibility Test (NET) fellowship was a result of the domestic system being re-structured to meet obligations before the WTO-GATS. Department of Commerce has clarified that the Non-NET fellowships are in the nature of administrative programmes being implemented by the GOI and other countries based on certain criteria like merit, promotion of research, social inclusion etc. The said financial support is being provided to students/researchers who are not service suppliers. The General Agreement on Trade in Services (GATS/WTO) obligations would not apply to such administrative schemes. In fact, administration of such schemes are in the nature of "a service supplied in the exercise of governmental authority", which the GATS defines as any service which is supplied neither on a commercial basis not in competition with one or more service suppliers. Hence, introduction, continuation or discontinuation or any scholarship/financial support to students and research scholars in higher education, etc, are pure administrative decisions taken by the Regulator/Government independent of the obligations under the GATS.

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